Previous references.

G. F 63-13-1-6 1914
(Genl Stn)

File No. 21-14

Serial Nos. 1, 2 & 3

Later references.

A & O. 195-14. 911-4

S. Fe. 66-16 & 1. B. July 3 1916.

G. 7. 64. 911. & 7 and 9 May 1917

" 45-19. 810. 90 & 10, B. Feb 3 1920

GENERAL AND REVENUE SECRETARIAT.

Src 341-39-1

" 293-40-1

Serial Nos. 1, 2, & 3.

(P 24/F)

Part B for Jan, 1915.

SUBJECT.

The comptroller should continue to be the director of the Clyde Spinning co. Bombay and the Senior Asst Comptr should be director of the Bangalore Woollen, Cotton and Silk mills

1. The comptroller proposes that the Asst Comptr Mr S. Ramanna may be put as Director of the Bangalore Woollen Mills and Mr. T. Lakshminarasimha Rao Asst First Secy as for the Clyde Spinning & Mfg Coy, Bombay.

2 & 3. States what is contained in the "subject" above

G. R. S. 58

BR 2/3/15

G.R.S. 11] 1914-15

GENERAL AND REVENUE SECRETARIAT.

(G.7)

NOTES.

File No. 21-14.

FILE HEADING.

Relieving the Comptroller of his duties on the Directorate of the Mills — Binny's, Maharaja's —

From The Comptroller's

No. 932/R.63 Dated 4/8.1914. Received 10.8.1914.

Diary No. 609	Enclos.	Spare Copies.	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Under the circumstances explained and in view of the want of time and leisure for discharging the duties of a Director Satisfactorily, the Comptroller proposes the appointment of Mr. S. Shanmanna as Asst. as Jt. Director for the Bangalore Cotton, Woollen & Silk mills and Mr. Lakshminarasimha Rao, Asst. Secretary Finance for the Mysore Spinning and Manufacturing Co. & requests reconsideration of the

NOTES AND ORDERS.

Govt. order Communicated in G.7.63-13 dy 23.7.1914.

In his letter no. 8182/R.462 dy 27.6.1912 the Comptroller first moved Govt. to appoint one of his Assistants to the Directorate of the Bangalore Woollen Cotton & Silk Mills in his stead.

NOTES—First Sheet.

GPB—35,000—15 6-12

Serial No.

but was told that "the Director should be an officer of sufficiently high status and that Govt do not consider it advisable to substitute an Asst Comptroller as Director in place of the Comptroller." vide Fl 2258/GJ 18-12 dt 23-9-1912.

2 Again he moved Govt to appoint Dy Comptroller as Govt Director of the Bangalore Woollen, Cotton & Silk mills with the result that he was informed that "Govt consider it desirable that the Comptroller should be the Director of the mills rather than the Dy Comptroller." He was further informed that his suggestion to confer on him the authority to appoint Dy Comptroller as Director in his stead was not permissible. (Fl 313/GJ 763-13-6 dt 24-7-14).

3. In the present reference he solicits a reconsideration of the orders communicated in the Fl no 313 dt 24.7.1914. & the appointments of Mr. Lakshminarasimha Rau on the Directorate of the Mysore Spining & Manufacturing Co. Ltd. & of Mr. S. Shamanna on the Bangalore Cotton Woollen & Silk mills.

Subd.
18/8/14

NOTE—Contn. sheet.

G 2B—10,000—13-6-14

G. R. S. 12]

General and Revenue Secretariat. | G.7 File No. 21 of 1914.

Serial No.

4. This is not a case for reconsideration of the orders already passed. The proposals of the Comptroller may be approved.
Shirts Speechley,
Dhowan) Dunn agree 31/8

1230
31-8-14

5 I agree that there is no necessity to retain the Comptroller on the directorate of the Cotton, Woollen and Silk Mills, but I am not sure that the time has arrived for relieving him of these duties on the Spinning and Manufacturing Company. I should like to know what money is still due from this Company to Government & what interests - Government or public - Government have to protect in connection with its affairs.

Mr Ts to Revd put up this information Dunn 27/10

Dhowan
G.o.I. No 25379 dt 28/4/11
97 135-09
Report up herewith
31/10/14 as also file 23-11 (B May 1913)

6 With this additional information, the papers may be circulated and brought up at a meeting of Council.

25-10-14 RC

A

7 The conditions attaching to the loan to the Company are found in paras of G.o. No de 5379 - 97 135-09 dated 28:4:1911. The amount due to Govt by the Company is three lakhs: Govt is in a position (Revd) in seeing that the security for the loan is intact. he 31/10

C.S. ai Dunn 13/11

A
S & M Co

8 It would be useful to ascertain

(1) how many shareholders are

NOTE—Contn. sheet.

GPB—60,000—7-11-13

F. R. S. 12]

General and Revenue Secretariat. | G.7 File No. 21 of 1914.

Serial No.

Natives of Mysore and whether the interests of all these would be as well protected if the Government director is altogether withdrawn. Has Government entered into any binding obligation or given any formal assurance

(2)

(3) to these shareholders at the time of the reconstitution of the Company on the present basis. If a director nominated by Govt. is to be on the Board, it should certainly be one of the senior officers of Government like the Comptroller.

B. W. Mills

As regards the Woollen Mills, unless there is anything to the contrary in the original agreement between the Company and the Govt., there appears to be no need to have a Govt. director at all. The papers must be examined before this matter is finally settled.

28/11/14

(4)

9

A note of information as far as available is annexed. Dewan 11/12

P.T.O

NOTE—Contn. sheet.

GPB—03,000—15-9-14

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

10

(1). List of Shareholders is not available - If necessary the Company will have to be written to.

(2). Minor Shareholders are perhaps in the same position as other Share holders and no special protection for them may be necessary.

N
(9-7-23-11)

(3). In the new agreement two Govt Directors are provided for — though no special assurance is held out to the Shareholders.

P.

(4). Para ~~Article~~ 94 of the articles of Association provides for two Govt Directors so long as Govt hold Shares. Govt have a few Shares but there seems to be no special agreement.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—50,000—29-6-14

10/12

GPB—1,000—19-7-13

Extract from the Proceedings of the 341st Meeting of the Council of His Highness the Maharaja, held at Bangalore on the 12th December 1914.

13. SUBJECT. - (Outside the Schedule).

Question of relieving the Comptroller of his duties as Director of the Bangalore Cotton, Woollen and Silk Mills and the Mysore Spinning and Manufacturing Company; and

of appointing two Account officers in his place.

OPINION OF THE COUNCIL.

The Senior Assistant Comptroller may be appointed Director of the Bangalore Cotton, Woollen and Silk Mills and the Comptroller himself may continue to be the Director of the Mysore Spinning and Manufacturing Company.

(Sd.) M. Visvesvaraya.

DEWAN OF MYSORE.

Extract"

D. M. Narasimha Rao

Hg. Secretary to Govt.

Submitted to His Highness.

13

Papers under disposal.

The Comptroller represents that he finds it difficult to continue to serve on the Directorates of the Bangalore Cotton, Woollen and Silk Mills and the Mysore Spinning and Manufacturing Company owing to expansion of work in the Finance Department and also pressing duties attached to his office and that as the affairs of these Companies and their relations with Government are now on a sufficiently satisfactory footing, Messrs. S.Shamanna and T.Lakshminarasimha Rao of the Account Department may respectively be appointed in his place as Government Directors of the two Companies.

2. The proposal was considered in Council who are of opinion that the Senior Assistant Comptroller may be appointed Director of the Bangalore Cotton, Woollen and Silk Mills, but that the Comptroller himself may continue to be the Director of the Mysore Spinning and Manufacturing Company.

3. In the latter Company, Government have still very large interests, about 3 and odd lakhs of rupees being still due from the Company to the Government. The financial relation between them is by no means simple. It is accordingly considered desirable that an officer of the Comptroller's status should safeguard the interests of Government.

4. The proposals of the Council may be approved.

M. Krishnaraya
19th Dec. 1914.

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.

Question of relieving the Comptroller of his duties as Director of the Bangalore Cotton, Wollen and Silk Mills and the Mysore Spinning and Manufacturing Company and of appointing two Account officers in his place.

584

Order.

~~KRMP~~

26/12/14

Secretary

26.12.14

HVN - 15.

F. R. S. 12]

General and Revenue Secretariat.

Gen Fin File No. 21 of 1914-15.

Serial No.

16 Draft Subd

Hov. Offg
1.1.15

17 Please put up revised draft as indicated - Also papers relating to the notification of Feb 1898 re appointment of Compr as Govt Director

hg
31/12/15

KVN
4.1.15

Submitted.

18 Revised draft put up.

19 Papers relating to the order of Feb 1898 have been put up as reference by Br III in another case. Monthly volume for Feb 98 is put up.

20 Gen Fin File 27 of 1901-02, Sls a_1-a_6 relating to the appointment of the Compr as Director of the Mysore Spinning and Manufacturing Co: is put up.

Recd today!
Dues 13/1

Hov. Offg
5/1/15.
(Reserved)

hg
8.1.15

Approved

Dues
13/1

Issue Encls.
hg
13/1

2

To

The Comptroller, Mysore Govt

F.L 3215, dt 19-1-15.

States that the Comptroller, Mysore Govt should continue to be the director of the Mysore Spinning and Manufacturing Company and that the Senior Comptroller, Bhor...

abrB

NOTE—Contn. sheet.

GPB—03,000—15-9-14

Serial No.

Should be mentioned by the Comptroller himself should be appointed as Govt Director of the Bangalore Woollen, Cotton and Silk Mills from 19.1.1915.

3. To

The Compiler, Mysore Gazette

Fl 3216 d 19-1-1915.

Government are pleased to appoint the Senior Assistant Comptroller, for the time being, as Ex-officio Govt Director in the Bangalore Woollen, Cotton, and Silk Mills in place of the Comptroller who will cease to be a director from 19th Jan 1915.

4. To

Messrs Binny & Co, Agents

Bangalore Woollen & Cotton Mills

Fl 3217 d 19.1.1915.

Forwards a copy of Sl 4.

5. To

The Comptroller

Mysore Govt

Fl 3218 d 19.1.1915

Forwards a copy of Sl 4 with the information that he should intimate from time to time the name of the particular Officer holding that office.

NOTE—Contn. sheet.

GPB—08,000—15-9-14

11 Gl. 17] 19

609

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters below the number as given opposite, may be quoted and addressed to the Comptroller, Mysore Government window delivery No. 6, Bangalore.

10/4/15
SECTION: G. L.
FILE NO. 21-14.
SERIAL NO. 1.

No. 932
R.63.

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 4th August *191* 4.

FROM

Diwan Bahadur,
J. S. CHAKRAVARTI, ESQ., M. A.,
F. R. A. S., ETC.,
Comptroller to the Government of
His Highness the Maharaja of Mysore.

To

.....D.M.Narasinga.....Rao,.....ESQ., B.A., B.L.,

Offg: *Secretary to the Government of Mysore,*

.....General...and..Revenue....*Department.*s

SIR,

I have the honor to bring to the notice of Government that, owing to the expansion of the various branches of the Comptroller's office, and the increased activities of the Finance Department generally, and the combination of various other works with the office of the Comptroller, viz., that of the Economic Conference, the Insurance Committee etc., I have not at my disposal the time required to discharge satisfactorily the duties as director of two large Joint-Stock concerns like Bangalore Cotton Woollen and Silk Mills, and the Mysore Spinning and Manufacturing Company of Bangalore. It should not have mattered much, if my work as a Government Director of these two Mills had been only that of watching the interests of Government in such concerns; but the law on the subject makes no distinction, I understand, in responsibility between Government Director and other Directors appointed by the general body of Share-holders. It is hardly fair either to myself or to Government, that I should be spending a part of my time in watching the interests of share-holders scattered over the Bombay and Madras Presidencies.

Rec.—Gl. 17]

.....Department.

1914

FROM

J. S. CHAKRAVARTI, ESQ., M. A.,
F. R. A. S., ETC.,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore.

To

.....ESQ.,

Secretary to the Govt. of Mysore.

Genl & Rev .....*Dept.*

Dated

Despatched 29/8/14

Received

No. 932/63

Subject matter.

Bangs the Rules of the Govt
re - the various branches
work in the Comptrollers Office

GPB—2,000—17.7.12

2) 2.

C.W. & S. Silk Mills

2. The appointment of responsible officers of Government on the Board of Directors in these two companies was considered necessary at a time when the companies were still in their infancy, and had to depend largely on Government, not only for financial assistance but also for general control and guidance. The affairs of these companies or their relation with Government have been now brought to a stage when my presence is no longer required. Thus in the case of the Bangalore Cotton, Woollen and Silk Mills, all the debentures taken by Government have been liquidated, and the bulk of the Government shares has been sold. Quite recently also some 45 shares, not ranking for dividends, were got converted into dividend bearing shares, after much correspondence with the Company. Including these, there are now only 51 shares of Rs.100/- each or of the aggregate value of Rs.5,100/-. These shares are being quoted in the market at par, and may at any time be sold without loss to Government, or even at some profit (as on a previous occasion) by waiting for a more favourable condition of the market.

51 Shares of Rs.100/- each —

S.M.C.

3. In the case of the Mysore Spinning and Manufacturing Company also, there has been considerable improvement in its condition of affairs, as compared with its situation some years back. The financial relations of the Company with the Government have recently been placed on a satisfactory footing, and the whole of the Government money advanced to the Company has been found to be well secured by the buildings and plant of the Company, after a careful valuation made by experts in the time. The Government hold 150 shares of Rs.250/- each, in this Company i.e., aggregating in value to Rs.37,500/-. These shares had some time back no market value being quoted at a nominal value of Rs.50/- owing to the fact that the Company was not able to declare any dividends. The result of the last few years' working was very favourable, and the Company has been able to declare a dividend of 6% last year. The market value of the shares has in consequence now risen, and they are being quoted at about par and some times even at a premium. These shares

150 Shares of Rs.250/- each :-

3)

have already been ordered to be sold, and only a favourable opportunity is being awaited. As a result of these changes in the condition of the Mills, and under the revised agreement with the Mills which has been recently arrived at, detailed Government supervision is not now necessary as in the past.

4. In view of the circumstances detailed above, I beg that Government may be pleased to relieve me of my duties as Director of the two Mills referred to above. As already pointed out, it is on account of the want of time and leisure required for discharging the duties of a Director satisfactorily that I submit this proposal for the favourable consideration of Government. The City Magistrate of Bangalore, and Mr.Ramaswamy Iyer son of Sir K. Sheshadri Iyer are on the directorate of the "Binny's"and "Maharaja's" Mills respectively, and I am the other Director in each case. I would suggest that in my place two of my Assistants may be appointed on these two boards.

5. If Government approve of my suggestion, I beg that they may reconsider their decision communicated in letter No.Fl.313/ G.F.63-13-2 dated 23rd July 1914, and appoint the following officers for appointment in my place:-

(1) For Bangalore Cotton, Woollen and Silk Mills	Mr.S.Shamanna, Asstt: Comptroller.
(2) For Mysore Spinning and Manufacturing Co.	Mr.T.Lakshminarasimha Rao, Asstt: Secretary, Finance.

These officers have been suggested by me, as I think that the appointment of an Accounts Officer would be an advantage. But if Government should think otherwise, any other officers may be appointed.

The Comptroller of Mysore is now also a member of the Board of Management of the Rai Bahadur Dharmarathnakara Arcot Narainsawmi Mudaliar's charities, of which the Deputy Commissioner, Bangalore, and Inspector General of Education, Mysore, are also members. Relief in this respect was also found necessary but

as I could trace no order of Government on the subject, I have not troubled Government in the matter, and have tendered my resignation as a member of the Board to the authorities of the charity direct, suggesting that my Assistant Mr.Satyaraj Chetty may be appointed in my place.

I have the honor to be,

Sir,

Your most obedient servant,

Chakravarthi

Comptroller.

V.U.C

Appointing the Senior Assistant Comptroller as Govt Director of the Woollen, Cotton & Silk Mills, Bangalore

G.R.S. 28]

161

Revised Draft

File No. G.F 21-14

Serial No. 2

Diary No. of letter replied to 609

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT.

( )

, *the* 191

Date of issue 19-1-15 W

Signed by W Shamanna

READ—

Government Pro:

No: 1009 4-6 mis 2051 dated the 21st February 1898 appointing the Comptroller to Government,

~~Director etc.~~

as Ex-officio Director of the Bangalore Woollen, Cotton & Silk Mills Co:

T

(2) Govt Pro: No: H 3458-62 / R.F. 27-1902 dated the 16th June 1904

over.

SUBJECT.

GPB—50,000—1-12-12

appointing the Comptroller to Govt. as a Director of the Mysore Spinning and Manufacturing Co: of Bangalore.

(3) Letter no: 932/R 63 dated the 4th August 1914 from the Comptroller to Govt. requesting that he may be relieved of his duties as Director of the Bangalore Cotton, Woollen and Silk Mills and the Mysore Spinning and Manufacturing Co: of Bangalore as with the increase of work in a number of directions he cannot find the time necessary to satisfactorily discharge the duties of Director and suggesting that in his place two of his Assistants may be appointed on the ~~two~~ boards of the two companies

—

Order thereon: No R3215 dt 19 January/15.

On a careful consideration

G. R. S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

of the proposal, Government are of opinion that the Comptroller should continue to be the Director of the Mysore Spinning and Manufacturing Company in which Govt. have still very large interests but are pleased to appoint the Senior Assistant Comptroller as Director of the Bangalore Cotton, Woollen and Silk Mills.

A notification to this effect will accordingly be issued and the Comptroller will intimate the name of the Senior Assistant Comptroller ~~appointed to the place~~ who will hold this office to the Company and to Govt. from time to time on change of incumbents.

Dec. 1911

Offg. Secretary to Govt.

To The Comptroller to Govt.

GPB—12,000—15-2-13.

Hvr. 5.1.15

3

G. R. S. 26]

File No. G.F 21-14
Serial No. 3

Diary No. of letter replied to

Vr No 389
dated 23.1.15

General and Revenue Secretariat

( )

, *the* 191 .

Date of issue 19—1—15

Signed by Dy Secy Karnataka

Notification

No. H 3216
dt 19 January/15

~~To~~ In modification of Govt order No: 10094-6/Mis 2051 dated the 21st Feb.98 Govt are pleased to appoint the Senior Assistant Comptroller for the time being as Ex-officio Govt Director in the Bangalore Woollen, Cotton and Silk Mills in place of the Comptroller who will cease to be a Director from this date.

By Order
Dy Secy

to Offg Secretary

over.

Sl 4 No H 3217 SUBJECT. Copy of the above is forwarded to Messrs Binny & Co Agents Bangalore Woollen, Cotton & Silk Mills Compy with the intimation that the Comptr will intimate to Govt from time to time, the name of the particular Officer holding this office:

Copy to Comptr

Sl 5. No H 3218
dt 19-1-15

by 8/1/15

To The Compiler, Mysore Gazette
for publication in the Gazette

—

Copy forwarded to the
Agents, Secretaries & Treasurers
of the Bangalore Cotton, Woollen
and Silk Mills with the inti
mation that the Comptroller
will from time to time inti-
mate to them the name of
the Senior Assistant Comptroller.

By Order

Offg Secretary to Govt.

Hoo.
5/1/15

List of enclosures

Copied by

Examined by

GPB—25,000—4-3-13

DRAFT SUBMISSION NOTE.

The Comptroller represents that he finds it difficult to continue to serve on the Directorates of the Bangalore Cotton, Woollen & Silk Mills and the Mysore Spinning and Manufacturing Company owing to expansion of work in the Finance Department and also pressing duties attached to his office and that as the affairs of these Companies and their relations with Government are now on a sufficiently satisfactory footing, Messrs. S. Shamanna and T. Lakshminarasimha Rao of the Account Department may respectively be appointed in his place as Government Directors of the two Companies.

2. The proposal was considered in Council who are of opinion that the Senior Assistant Comptroller may be appointed Director of the Bangalore Cotton, Woollen & Silk Mills, and that the Comptroller himself may continue

to be the Director of the Mysore Spinning and Manufacturing Company.

3. In the latter Company, Government have still very large interests, about 3 and odd lakhs of rupees being still due from the Company to the Government. The financial relation between them is by no means simple. It is accordingly considered desirable that an officer of the Comptroller's status should safeguard the interests of Government.

4. The proposals of the Council may be approved.

19.12.14.